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RESULTS

Atlas Van Lines
14th Annual Survey
of Corporate Moving Practices

COSTS IMPACT CORPORATE RELOCATION

Corporate relocation in 1980 was affected by two major factors: (1) the state of the national economy; and, (2) the tremendous increase in the direct costs associated with relocation, particularly those largely due to the increased costs of real estate and financing, causing many firms to review the need for each transfer.

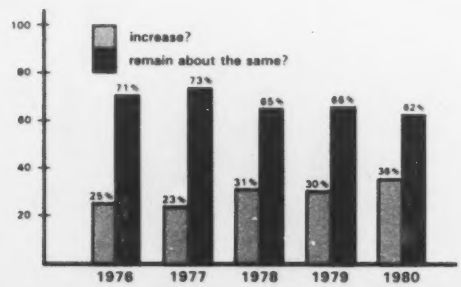
Economic conditions are unquestionably playing the largest role in the transfer decision, according to Atlas Van Lines' 14th Annual Survey of Corporate Moving Practices. Ninety-three percent (93%) of the survey respondents said that economic conditions during 1980 had an effect on the number of employees transferred while "energy" concerned only four percent. In 1979, only 57 percent of those interviewed said that economic conditions had an effect on employee transfers. However, the 13th Survey questionnaire offered a write-in option, and 40 percent suggested their relocation decisions were affected by conditions such as growth, expansion and increased business, high interest, and promotions. Since a very small percentage marked "energy" or "political conditions," the condition of our economy remains as the Number One corporate concern.

Also of interest are the 1978 figures which showed that only 18 percent of the survey respondents rated economic conditions as "greatly affecting" employee transfers. Sixty-six percent (66%) indicated economic conditions did not affect employee transfers at all.

Actions by companies affecting the number of employee transfers show that the 1980 figures compared to 1979 indicated a 10 percent decrease in companies expanding their present facility and a 12 percent decrease concerning expansion into new territories. Many companies indicated they would hire local people rather than transfer an employee from another location.

Transfers of company employees, however, continued during much of 1980, and the 14th Survey suggests an increase over the previous year. In 1979, 68 percent said they moved less than five percent of their salaried employees — the new survey revealed that figure had jumped to 77 percent.

Did the number of employees declining relocation . . .

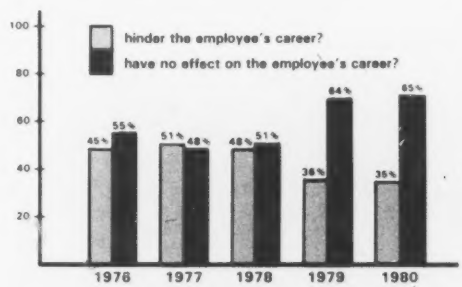


The typical employee asked to relocate declined a transfer frequently (64 percent, down two percent from 1979). The rising incidence of two-career families is becoming more prevalent and widely discussed in the media as difficult for corporations to get executives to relocate. A promotion for a husband may side-track the wife's career and vice versa. However, 88 percent of the survey respondents said their company does not offer assistance in helping the spouse find employment in a new location. Corporations might consider such help as an incentive for transfers. Future surveys may chart a downward trend of corporations responding "no assistance."

The three leading reasons cited for refusing the relocation are: (1) the cost of living in the new location (28 percent); (2) family reluctance to relocate (26 percent); and, (3) desire to remain in the present location (25 percent).

Many firms are adjusting to these young executives' reluctance to move. Where once companies would have written off a manager who said "No," they now are less likely to hold it against an employee, although continued refusals to move could prove costly in terms of advancement.

Does declining the opportunity to relocate . . .



The cost of moving employees shows the average per-move cost to a corporation for direct van lines service of packing and transportation reported in the 1981 survey, based on 1980 costs, was $3,452, up from $2,420 in 1979 and $2,000 in 1978.

The average per-move cost of "moving extras" — such as move-related expenditures on motel accommodations, meals, family transportation, etc. — increased substantially to $4,002 in 1980 from $2,000 reported in the 1979 survey, and to the 1978 survey figure of $1,500.

Changes in the housing market may explain, in part, the reason why 68 percent of the companies reporting said they do not guarantee the sale of the employee's

residence. Five years ago, 52 percent did not guarantee the sale. Seventy-eight percent (78%) said "no" to actually purchasing the former house if no other buyer can be located in a reasonable period of time.

Of the companies that do help with the sale of the home, the most traditional method used by the companies to come to an agreement with an employee on the cost of the house is to use two or three appraisals (77 percent, up four percent from 1979). Another method includes paying the employee the appraised value of the house (20 percent). While 63 percent of the companies responding said they do not use the services of a relocation service firm, those who did use a realtor most often (32 percent) for the sale and purchase of a home, and 12 percent utilize them for orientation tours at destination.

The typical employee being relocated by the companies in the survey is between 31 and 40 years of age (74 percent) with a little more than half of them in the sales field (52 percent) and others in such areas as plant/facility management (20 percent), engineering (13 percent), or administrative (13 percent). The average income is between $21-40,000 (83 percent).

How a corporation selects a carrier and evaluates moving services was a new question this year. The three most important guidelines companies listed for carrier selection are: (1) service; (2) scope of carrier service; and, (3) costs/rates/prices. Companies use these three most important guidelines for carrier evaluation: (1) claims (ratio/handling/speed); (2) service; and, (3) employee satisfaction and feedback.

Forty-four percent (44%) of those survey respondents indicated their companies are international, 32 percent national, and 24 percent regional. Thirty-three percent (33%) of companies reporting said they transfer employees overseas.

Eighty-five percent (85%) of those said less than two percent of their employees are affected in an overseas move, and 68 percent said that their plans for 1981 will remain about the same.

Corporate responsibility for handling employee transfers seems to change frequently. Of those responsible for moves, 40 percent have been in their positions for 1-5 years. Twenty-three percent (23%) have held those positions 6-10 years, while the smallest percentage, 22, stayed with those responsibilities for 11-20 years. Persons responding indicated they are in Personnel (41 percent), Traffic (20 percent), and Administrative (14 percent).

The summer months of June, July, and August continue to be the busiest moving season although 42 percent said "no particular month." The reason given for summertime moves is the traditional school year (70 percent).

The Atlas Van Lines' Survey of Corporate Moving Practices represents 52 questions asked of corporate executives about relocating in the United States and overseas. The survey was completed during March, 1981, and is the industry's only national review of household moving practices by corporations.

Atlas Van Lines is the nation's sixth largest household goods carrier, with more than 450 agents in the United States, more than 100 agents in Canada, and more than 200 representatives in some 125 overseas countries.

For additional information on the field of corporate moving practices and a policy manual based on the trends in this survey, write to:

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ATLAS VAN LINES
RESULTS OF 14TH ANNUAL SURVEY OF CORPORATE MOVING PRACTICES
Conducted by Atlas Van Lines, Inc.

NOTE: Total percentages above or below 100% are due to rounding.

1. Which of the following classifications most accurately describes your company?

62% — Manufacturing
25% — Service (Includes gov't., education, hospitals, etc.)
13% — Financial

2. Is your company . . .

72% — multi-division?
28% — centralized?

3. Would your company be classified as . . .

24% — regional?
32% — national?
44% — international?

4. Is your company . . .

41% — privately owned?
59% — publicly owned?

5. On the average, your approximate annual sales are . . .

4% — Less than $10 million
25% — $10 - $49 million
14% — $50 - $99 million
28% — $100 - $499 million
29% — More than $500 million

6. How many salaried (i.e., non-hourly) people are employed by your firm?

15% — Less than 100
46% — 100 - 999
14% — 1,000 - 2,499
8% — 2,500 - 4,999
6% — 5,000 - 9,999
9% — 10,000 - 49,999
2% — More than 50,000

7. What percent of these salaried employees did your company move during 1980?

77% — Less than 5%
15% — 5 - 10%
5% — 11 - 15%
2% — 16 - 20%
1% — Over 20%

8. Do you anticipate that the number of employees your company will move during the current year (1981) will . . .

15% — increase from the number moved in 1980?
19% — decrease?
66% — remain about the same?

9. Comparing the number of employee transfers in 1980 with 1979, the 1980 number . . .

4% — increased greatly over 1979.
25% — increased moderately over 1979.
9% — decreased greatly over 1979.
18% — decreased moderately over 1979.
44% — remained about the same.

10. If the number of employee transfers changed from 1979 to 1980, what had the most significant impact?

93% — Economic conditions
4% — Energy
3% — Political conditions

11. What action by your company affected the change in the number of employee transfers?

14% — Increased production
13% — Decreased production
9% — Expanded present facility
3% — Postponed planned expansion at present facility
27% — Expansion into new territories
4% — Postponed planned expansion into new territories
30% — Other

12. When was the last time your company's written moving policy was revised?

13% — This year (1981)
37% — Last year (1980)
28% — Between 1975 - 1979
3% — Prior to 1975
2% — Never revised
17% — We do not have a written moving policy

13. Does your company have written guidelines for carrier selection and evaluation?

28% — Yes
72% — No

14. What are the three most important guidelines your company uses for carrier selection?

(1) — Service
(2) — Scope of carrier service
(3) — Costs/rates/prices

15. What are the three most important guidelines your company uses for carrier evaluation?

(1) -- Claims (ratio/handling/speed)
(2) — Service
(3) — Employee satisfaction/feedback

16. How is information about your company's policy covering employee transfers made known to the employee?

23% — The employee is provided a handbook or brochure describing all procedures and conditions in detail.
46% — Employees are provided printed materials describing company policies, but this information is explained by authorized personnel within the organization.
31% — There is no set policy; each case is handled individually and explained on a one-to-one basis.

17. Does your company allow . . .

85% — full reimbursement of moving expenses?
10% — a partial reimbursement based on salary level, position or tenure?
2% — no reimbursement whatever of moving expenses?

18. Does your company have separate moving policies for new-hires and transferees?

57% — Yes
43% — No

19. What was the average cost *per move* your company paid during 1980 for such "moving extras" as motel accommodations, family transportation, meals, maid service, pre-move house hunting trips, appliance servicing and similar items? Exclude any salary increases, the cost of van line services, housing compensation, and financial assistance to employees in disposing of former residences.

Domestic move — $4,002 International move — $7,424

20. What was the average cost *per move* your company paid during 1980 on direct van line services of packing and transportation only? Exclude "moving extras," as described in Question 19.

Domestic move — $3,452 International move — $6,681

21. Besides packing and transportation of household goods, does your company allow the employee: (circle "1" for YES and "2" for NO)

YES	NO	
68%	32%	to move a second automobile at company expense?
11%	89%	to move a third automobile at company expense?
33%	67%	to move a boat at company expense?
45%	55%	to have belongings picked up from a second residence (summer home, relative's home, etc.)?
7%	93%	to hire maid service at either the old or the new home?
83%	17%	unlimited weight?
12%	88%	permanent storage of some possessions?
66%	34%	to move collections of objects of recognized high value, such as statuary, paintings, or similar items?
52%	48%	to move pets?
84%	16%	to move recreation and lawn equipment?
68%	32%	to move any other item not specified above? (i.e., antiques, motorcycles, mobile homes, pool tables, etc.)

22. Do you feel the standard $1.25 per pound released value represents the proper value of your employee's household goods?

30% — Yes
70% — No

23. If you answered NO to Question 22, what do you feel the average per pound released value of your employee's household goods should be?

11% — $1.50
10% — $1.75
34% — $2.00
45% — More than $2.00

24. How many expense-paid trips does your company allow an employee to find housing in the new city?

3% — None
34% — One
49% — Two
6% — Three
8% — More than three

25. How many expense-paid, house-hunting trips does your company allow the spouse to accompany the employee?

5% — None
48% — One
38% — Two
4% — Three
5% — More than three

26. Does your company: (circle "1" for YES and "2" for NO)

YES	NO	
32%	68%	guarantee sale of the employee's former residence?
22%	78%	acutally purchase the employee's former house if no other buyer can be located within a reasonable period of time?
10%	90%	refund to the employee any cash difference between the sale price of the former house and the purchase price of an essentially similar house in the new city?
12%	88%	pay for drapes, carpeting, etc., in the new house, if the former house was so furnished?
22%	78%	pay for alterations to drapes, carpeting, etc., if those items are moved to the new city?
7%	93%	if your employee rented quarters in the old city, pay the difference between the former monthly rent and the "going rate" for renting similar quarters in the new city?
65%	35%	pay the penalty for terminating a lease?
32%	68%	reimburse the employee any increased tax incurred as a result of the move?
54%	46%	assist with mortgage loans, non-interest swing loans?
46%	54%	provide interest differential assistance?
60%	40%	pay realtor's fees, pay a cash bonus based on salary, etc.?

27. If your company actually will buy an employee's former residence (if no other buyer can be located within a reasonable time), how do you determine the sale price of the house?

0% — Pay the employee's asking price.
20% — Pay the employee the appraised value of the house.
3% — Bargain with the employee until a price is reached that is satisfactory to both sides.
77% — Pay the average of two or three appraisals.

28. Does your company ever utilize the services of a relocation service firm?

37% — Yes
63% — No

29. If you answered YES to question 28, which services did you use in 1980?

9% — Counseling on logistics and planning of moving.
5% — Counseling on company corporate policy.
32% — Real estate - sale and purchase of home.
12% — Orientation tours at destination.
3% — Provide accessorial services (appliances, cleaning, etc.).
5% — Arrange family's transportation and accommodations.
10% — Contact household moving company.
7% — Audit and/or pay invoice.
5% — Monitor shipment.
7% — Assist with employee's claims preparation and submission.

30. Do you provide information to your transferred employees on the provisions of the Tax Reform Act of 1976 regarding allowable moving and relocation expenses?

75% — Yes
25% — No

31. In what ONE month of the year did the greatest number of your moves occur during 1980?

1% — January
1% — February
2% — March
1% — April
2% — May
18% — June
15% — July
10% — August
3% — September
2% — October
2% — November
1% — December
42% — No particular month

32. If the greatest number of your moves occurred during the summer months, in your opinion, is the "traditional school year" the principal reason?

70% — Yes
30% — No

33. On the average, how long after an employee takes a new job does the family and household goods move to the new location?

4% — Less than one week
12% — One to two weeks
30% — Two to four weeks
47% — One to two months
7% — More than two months

34. Which ONE of the following categories most accurately describes the frequency with which an average salaried employee of your company can reasonably expect to be moved?

0% — Every year
4% — Every other year
8% — Every third year
10% — Every fourth year
78% — Less frequent?

35. What is the age of the average salaried employee most frequently transferred by your company?

0% — Under 25 years
17% — 25 - 30 years
41% — 31 - 35 years
33% — 36 - 40 years
8% — 41 - 45 years
1% — Over 46 years

36. Which of the following categories of personnel is most likely to experience the greatest number of relocations during their career with your company?

52% — Sales
20% — Plant/facility management
13% — Engineering
3% — Computer/data processing
13% — Administrative
2% — Research/development
5% — Financial
12% — Marketing

37. In which salary range do employees experience the greatest number of relocations within your company?

2% — Less than $15,000
8% — $15,000 - $20,000
21% — $21,000 - $25,000
31% — $26,000 - $30,000
31% — $31,000 - $40,000
7% — Over $40,000

38. How many of your transferred employees are women?

36% — None
48% — Less than 5%
9% — 5 - 10%
7% — More than 10%

39. How frequently has an employee's relocation been affected by the employment status of a spouse?

3% — Almost always
21% — Frequently
58% — Seldom
19% — Never

40. If a spouse is employed full-time with another firm, have relocation complications . . .

41% — increased in recent years?
0% — decreased?
59% — remained about the same?

41. How does your company assist an employee's spouse find employment in the new location?

88% — No assistance
1% — Pay job-finder's fee
1% — Find employment within company
9% — Find employment outside company
1% — Pay spouse full or partial salary until hired

42. Did any of your employees decline the opportunity to relocate during 1980?

64% — Yes
36% — No

43. If you answered YES to Question 42, how many employees declined the opportunity to relocate?

60% — Less than 2%
13% — 2 - 4%
7% — 5 - 7%
10% — 8 - 10%
2% — 11 - 12%
8% — Over 12%

44. If you answered YES to Question 42, did the number of employees declining relocation . . .

36% — increase from the 1979 level?
2% — decrease?
62% — remain about the same?

45. What reasons were given for declining relocation?

10% — Did not like new location
25% — Did not wish to leave present location
4% — Did not like new position
28% — Cost of living in new location
26% — Family reluctance to relocate
7% — Other reasons:
a. High interest rates on mortgages
b. Spouse's job

46. Does declining the opportunity to relocate . . .

34% — hinder the employee's career?
1% — help the employee's career?
65% — have no effect on the employee's career?

47. Does your company transfer employees overseas?

33% — Yes
67% — No

48. If you answered YES to Question 47, what percent of transferred employees did your company relocate during 1980 . . .

A. — from the U.S. to overseas points?
86% — Less than 2%
7% — 2 - 5%
2% — 6 - 10%
5% — More than 10%

B. — from overseas points to the U.S.?
85% — Less than 2%
8% — 2 - 5%
2% — 6 - 10%
5% — More than 10%

C. — between two overseas points?
91% — Less than 2%
3% — 2 - 5%
6% — 6 - 10%
0% — More than 10%

49. Do you anticipate the number of employees your company will move overseas during 1981 will . . .

14% — increase from the number moved in 1980?
18% — decrease?
68% — remain about the same?

50. What best identifies your title?

20% — Traffic
41% — Personnel
6% — Purchasing
9% — Personnel moving coordinator
14% — Administration
3% — Operations
5% — Financial
1% — Sales
1% — Other

51. What is the total number of years you have been responsible for personnel moves?

8% — Less than 1 year
40% — 1 - 5 years
23% — 6 - 10 years
22% — 11 - 20 years
6% — 21 - 30 years
1% — 31 - 40 years

52. Which of the following professional magazines are most useful to you? (Please rank in order of preference; e.g., 1 — most useful, etc.)

(1) Handling & Shipping
(2) Personnel Administration
(3) Distribution Worldwide
(4) Traffic Management
(5) Traffic World
(6) Transport Topics

On behalf of Atlas Van Lines and the entire household goods moving industry, we wish to thank the corporate executives who took the time and effort necessary to complete this questionnaire. Their participation in helping us develop this unique and valuable guideline will contribute greatly to the continued improvement in the household goods moving industry.

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